

---

# ***Public Utilities Commission of the State of California***

## ***Public Agenda 3126***

***Thursday, January 8, 2004 10:00 a.m.***

***San Francisco, California***

### **Commissioners**

**Michael R. Peevey, President**

**Geoffrey F. Brown**

**Susan P. Kennedy**

**Loretta M. Lynch**

**Carl W. Wood**

*For each agenda item, a summary of the proposed action is included; the Commission's decision may, however, differ from that proposed.*

*Website: <http://www.cpuc.ca.gov>*

---

### **Scheduled Commission Meetings**

**505 Van Ness Avenue, San Francisco**

<i>Ratesetting Deliberative Meeting*</i> Room 5305 (1:30 p.m.) <b><i>Closed to the Public</i></b>	<i>Commission Meeting</i> Auditorium (10 a.m.) <b><i>Open to the Public</i></b>
Friday, January 16, 2004 (San Francisco)	Thursday, January 08, 2004 (San Francisco)
Friday, February 06, 2004 (San Francisco)	Thursday, January 22, 2004 (San Francisco)
Monday, February 23, 2004 (San Francisco)	Wednesday, February 11, 2004 (San Francisco)
	Thursday, February 26, 2004 (San Francisco)

*\*Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.*

### ***Matters of Public Interest***

***For the convenience of the public and media representatives, items of widespread public interest will be taken up at the beginning of the meeting.***

For further information contact the Public Advisor  
(415) 703-2074 E-mail: [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov)



This location is accessible to people with disabilities. If specialized accommodations for the disabled are needed, e.g. sign language interpreters, please call the Public Advisor at (415) 703-2074 or TTY# (415) 703-5282 or toll free # 1-866-836-7825 three business days in advance of the meeting.

## PUBLIC COMMENT

The following items are not subject to public comment:

- All items on the closed session agenda.
- 

Public Comment:

## Consent Agenda

*Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.*

### Consent Agenda - Orders and Resolutions

- 1 Res TL- 19037**  
[3073] Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.
- 2 Res ALJ 176-3126**  
[3074] Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.
- 3 A03-04-002 - Citizens Telecommunications Company of California, Inc., dba Frontier Communications of California (Citizens).**  
[2894] This decision requires Citizens to reimburse the Commission for the costs of an audit to be performed by consultants working for the Commission's Office of Ratepayer Advocates. In addition, the decision adopts an all-party settlement regarding modifications of the New Regulatory Framework (NRF) reporting requirements. Citizens is ordered to refile no later than 90 days after final decisions are adopted in R01-09-001 and I01-09-002, the NRF review for SBC California and Verizon California Incorporated. This proceeding is closed.  
(Comr Peevey - ALJ O'Donnell)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3124, Item 6 12/4/2003 (Peevey);  
Agenda 3125, Item 1 12/18/2003 (Staff)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162236](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162236)

---

Consent Agenda - Orders and Resolutions (continued)**4**

[2911]

**A03-05-034 - Watertek, Inc.**

Watertek, Inc., a family water service company, seeks Commission authorization to sell and transfer ownership of three small water systems, two of them near Porterville and one near Fresno. The prospective purchasers are experienced water system operators who have been operating the three water systems on a contract basis since April 2003. The Commission's Water Division has investigated the proposed transfer and recommends approval. The application is granted. This proceeding is closed.

(Comr Brown - ALJ Walker)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3123, Item 15 11/13/2003 (Lynch);

Agenda 3124, Item 82 12/4/2003 (Wood);

Agenda 3125, Item 3 12/18/2003 (Staff)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162163](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162163)

**5**

[2977]

**A98-01-014 - San Diego Gas & Electric Company.**

For authority to implement a distribution performance-based ratemaking mechanism. A95-06-002, A96-10-038, A02-12-027, A02-12-028 - Related matters. This decision grants extension of customer service performance standards but does not extend the related financial incentives.

A98-01-014, A95-06-002 and A96-10-038 are closed.

(Comr Brown - ALJ Minkin)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3125, Item 8 12/18/2003 (Kennedy)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162005](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162005)

**6**

[2857]

**A03-05-024 - Telecom Consultants, Inc. (Applicant).**

This decision grants Applicant a certificate of public convenience and necessity (CPCN) to resell local exchange and interexchange telecommunications services. In addition, Applicant is fined \$500 for operating without a CPCN. This proceeding is closed.

(Comr Brown - ALJ O'Donnell)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162056](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162056)

---

Consent Agenda - Orders and Resolutions (continued)

- 7**  
[2971] **A96-11-012 - City of West Sacramento.**  
For an order authorizing construction of a crossing at grade between Devon Avenue and tracks of the Yolo Shortline Railroad Company. This decision dismisses the Petition for Modification of the City of West Sacramento to modify D97-04-077. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*
- 8**  
[3008] **A03-09-035 - San Diego Gas & Electric Company (SDG&E).**  
This decision grants SDG&E authority to issue \$660 million Debt Securities and \$80 million Preferred Stock, and approves its requested exemptions from the Competitive Bidding Rule. This proceeding is closed.  
(Exam Clanon)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3124, Item 31 12/4/2003 (Lynch)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=156912](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=156912)
- 9**  
[3021] **A02-11-007 - Southern California Water Company (SCWC).**  
This decision grants SCWC authority to increase rates by \$8,093,500 or 12.05% in the year 2003; by \$1,849,700 or 2.45% in the year 2004; and by \$2,738,900 or 3.54% in the year 2005 in its Region III Service Area. Rates for Region III will continue to be determined on a regional, rather than district specific, basis. SCWC's request to also increase rates for the General Office Allocation to the Region I and II Customer Service Areas (CSAs) is denied. Revenues derived from the lease of water rights to the City of Folsom will be used prospectively to offset the cost of service for the Arden-Cordova CSA. This proceeding is closed.  
(Comr Peevey - ALJ Fukutome)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162175](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162175)
- 10**  
[3022] **A02-07-031 - Southern California Edison Company (Edison).**  
This decision authorizes 23 proposed leases by Edison to Cingular Wireless, under two agreements, of locations for the attachment of antennas and antenna equipment, authorizes use of one of the agreements for future such leases, orders that certain confidential terms in the agreements be filed under seal but requires that Edison file an application for approval under § 851 before making any substantive amendments to the agreements. This proceeding is closed.  
(Comr Brown - ALJ Vieth)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162132](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162132)

---

Consent Agenda - Orders and Resolutions (continued)**11 Res SX-54**

[3050]

This resolution adds grade-separation of existing at-grade highway-rail crossings, and alteration and reconstruction of existing grade-separated crossings, to the scope of GO 88-A. Other minor modifications are also made to correct or update certain information.

**12**

[3054]

**A01-03-008 - Pacific Gas and Electric Company (PG&E).**

This decision denies the petition of PG&E for modification of D03-05-077 on the ground that the petition raises no issue of fact or law that warrant such modification. D03-05-077 correctly states that the installation of optical fiber and related telecommunications equipment on existing utility structures by third-party telecommunications providers is not categorically exempt from environmental review under the California Environmental Quality Act. D03-05-077 contains no factual errors relating to the use of the fiber optics, and correctly cites Commission precedent. This proceeding is closed.

(Comr Lynch - ALJ Thomas)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=160709](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=160709)

**13**

[3059]

**A02-10-029 - Southern California Edison Company (Edison).**

This decision authorizes, under several agreements, 25 proposed leases by Edison to Verizon Wireless of excess space at communication facility sites or antenna and antenna equipment attachment locations. The decision also authorizes use of the master site agreement and master attachment agreement, and their associated standard agreements, for future such leases and orders that certain confidential terms in the agreements be filed under seal, but requires that Edison file an application for approval under §851 before making any substantive amendments to the agreements. This proceeding is closed.

(Comr Brown - ALJ Vieth)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162198](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162198)

**14**

[3070]

**A03-08-020 - Adir International Export Ltd dba La Curacao (Applicant).**

This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based and resold local exchange telecommunications services. Applicant was previously authorized to provide limited facilities-based and resold interexchange services. This proceeding is closed.

(Comr Brown - ALJ O'Donnell)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162250](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162250)

## Consent Agenda - Orders and Resolutions (continued)

- 15**  
[3071] **A03-08-029 - National ComTel Network, Inc. (Applicant).**  
This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based and resold local exchange telecommunications services, and limited facilities-based interexchange services. Applicant is currently authorized to resell interexchange services. This proceeding is closed.  
(Comr Brown - ALJ O'Donnell)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162249](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162249)
- 16**  
[3075] **R02-06-001 - Order Instituting Rulemaking on policies and practices for advanced metering, demand response, and dynamic pricing.**  
This decision approves the calendar year 2004 budget request of Southern California Edison Company, Pacific Gas and Electric Company, San Diego Gas & Electric Company for the Statewide Pricing Pilot for residential and small commercial customers, subject to certain conditions, and with the exception of requested decommissioning costs.  
(Comr Peevey - ALJ Carew)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*
- 17**  
[3076] **A00-11-038 - Southern California Edison Company.**  
For authority to institute a rate stabilization plan with a rate increase and end of rate freeze tariffs. A00-11-056, A00-10-028 - Related matters. This decision addresses the amount of interest that should be paid by the shareholders of Pacific Gas and Electric Company in connection with the under-remittance that was owed to the California Department of Water Resources.  
(Comr Brown, Comr Lynch - ALJ Wong)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162419](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162419)
- 18 (Rev.)**  
[3077] 01/07/2004 - Moved to item (75) under Regular Agenda/Energy Orders section on the agenda.  
01/07/2004 - This revision was not shown on the Agenda mailed to the public.

## Consent Agenda - Orders and Resolutions (continued)

**19                    R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of direct access pursuant to Assembly Bill 1X and D01-09-060.**  
[3078]

This decision adopts a proxy for pricing short-term power used to serve Direct Access customers returning to temporary bundled service pursuant to D03-06-034.

(Comr Brown, Comr Wood - ALJ Pulsifer)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162292](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162292)

**20                    C03-01-007 - DSLExtreme.com, Inc. and Sonic.net, Inc. vs. Pacific Bell Telephone Company, SBC Advanced Solutions, Inc., and Verizon California Inc.**  
[3081]

This decision dismisses the Amended Complaint, which was filed after the ALJ denied complainants' request for a temporary restraining order (TRO). The complainants, two ISPs that purchase DSL transport from defendants, contend that SBC ASI and SBC California engaged in a misleading advertising campaign designed to give customers of DIRECTV DSL the false impression that these customers would suffer less downtime if they chose SBC ASI's affiliate as their new ISP rather than a non-affiliated ISP. Complainants also contend that SBC ASI discriminated against them by not disclosing the DIRECTV DSL shutdown date on its electronic ordering system, and by delaying publication of disconnect information for individual DIRECTV customers. The decision concludes that the advertisements in question were not misleading as a matter of law, that the discrimination claims are without merit because the Amended Complaint fails to allege any difference in treatment among defendants' ISP customers with respect to information, and that there was no delay in posting the disconnect dates of retail customers because, as the TRO hearing record shows, SBC ASI moved to post this information promptly once DIRECTV gave it permission to do so. The decision also concludes that similar allegations of discrimination against VADI should be dismissed, because VADI's uncontroverted declarations show that (1) all of its ISP customers received the same information at the same time about DIRECTV's shutdown date, and (2) VADI's ISP affiliate was not in a position to profit from the 3 week period that it took to develop a special "hot swap" transition procedure. This proceeding is closed.

(Comr Brown - ALJ McKenzie)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161167](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161167)

---

Consent Agenda - Orders and Resolutions (continued)

- 21**                    **A03-09-025 - California Shuttle Bus, Inc. (Applicant).**  
[3091]                This decision authorizes Applicant to operate as a scheduled passenger stage corporation between points in Los Angeles, Orange, Riverside, and Ventura Counties, on the one hand, and points in San Francisco, Contra Costa, Alameda, and Santa Clara Counties, on the other hand; and to establish a zone of rate freedom. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161611](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161611)
- 22**                    **A03-09-016 - Jarnail S. Jaiswal, dba Aero Airporter Express (Applicant).**  
[3092]                This decision authorizes Applicant to operate as a passenger stage corporation between the Counties of Alameda, Santa Clara, San Mateo, Marin, Contra Costa, San Joaquin, and San Francisco and the International Airports of San Francisco, Oakland, and San Jose. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161609](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161609)
- 23**                    **A03-10-024 - Fariborz Alishahi, dba Orange County Cruiser and Simin Rad.**  
[3093]                This decision authorizes Fariborz Alishahi to transfer his passenger stage corporation certificate to Simin Rad. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161612](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161612)
- 24**                    **A02-03-008 - Santa Clara Valley Transportation Authority (VTA).**  
[3095]                This decision grants VTA authority to construct an at-grade rail-to-rail crossing near Auxerais Street, in the City of San Jose, County of Santa Clara. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=160633](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=160633)



---

Consent Agenda - Orders and Resolutions (continued)

- 25**  
[3096] **A03-09-002 - Los Angeles County Metropolitan Transportation Authority (MTA).**  
This decision grants MTA authority to construct two grade-separated highway-rail crossings (roadway underpasses) each above and across Santa Fe Avenue and Myers Street on the existing First Street Bridge as part of the Eastside Corridor Light Rail Transit Line project in the City of Los Angeles, Los Angeles County. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=160134](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=160134)
- 26**  
[3097] **Res TL-19036**  
This resolution adjusts the rates in Maximum Rate Tariff 4, governing the transportation of used household goods and personal effects by household goods carriers.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161554](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161554)
- 27**  
[3100] **R03-03-014 - Order Instituting Rulemaking into implementation of Senate Bill 669 and Assembly Bill 1734, as they affect the Deaf and Disabled Telecommunications Equipment and Services Program fund.**  
This decision grants the California Coalition of Agencies Serving the Deaf and Hard of Hearing, Inc. an award of \$27,409.26 in compensation for its substantial contributions to D03-06-070. In that decision, the Commission adopted new charters for the Telecommunications Access for the Deaf and Disabled Administrative Committee and two other advisory committees dealing with the Deaf and Disabled Telecommunications Program. This proceeding is closed.  
(Comr Kennedy - ALJ Walker)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=160835](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=160835)
- 28**  
[3102] **Res W-4447 - Fruitridge Vista Water Company (FVWC).**  
This resolution authorizes FVWC a surcharge to amortize the balance in purchased power balancing account producing additional annual revenue of \$55,046 or 5.05%. (Advice Letter 76, filed October 31, 2003)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=160009](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=160009)
- 29**  
[3103] **Res W-4448 - Rolling Green Utilities, Inc. (RGU), Sewer Division.**  
This resolution authorizes RGU, Sewer Division a general rate increase in sewer rates producing an increase in annual revenues of \$11,233 or 18.02% for test year 2003.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=160898](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=160898)

---

Consent Agenda - Orders and Resolutions (continued)

- 30**  
[3104] **R02-06-040 - Rulemaking for the purpose of revising certain rules of practice and procedure to implement Pub. Util. Code Section 1708.5 (Petitions for Rulemaking).**  
This decision closes this rulemaking because the Office of Administrative Law has approved new Rule 14.7, as amended by D03-08-071, and there is no need to consider further changes to the Rule. This proceeding is closed.  
(Comr Lynch - ALJ Prestidge)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=159448](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=159448)
- 31**  
[3106] **Res T-16809 - Citizens Telecommunications Company of California, Inc. (CTC-California).**  
This resolution approves an Interconnection Agreement between CTC-California and Cat Communications International, Inc., in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 817, filed October 23, 2003)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161868](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161868)
- 32**  
[3107] **Res T-16800 - Citizens Telecommunications Company of California, Inc. (CTC-California).**  
This resolution approves an Interconnection Agreement between CTC-California and SBC California, in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 816, filed October 23, 2003)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161866](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161866)
- 33**  
[3111] **A03-06-032 - Rideshare Port Management, LLC (RPM) and AMRAT, Inc. (AMRAT), dba Prime Time.**  
This decision authorizes RPM and AMRAT to expand the lower ends of their zones of rate freedom to \$10 above and \$25 below their base fares in connection with their passenger stage corporation operations. This proceeding is closed.  
(Exam Clark)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161842](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161842)
- 34**  
[3112] **Res W-4449 - Del Oro Water Company (DOWC) - Country Estates District (CE), Ferndale District (FD), Johnson Park District (JP), Lime Saddle District (LS), and Magalia District (MD).**  
This resolution authorizes a one-time surcharge to recover an increase in water testing costs producing a total increase in annual revenue for DOWC of \$8,528 or 0.87%. (Advice Letter 122, filed October 27, 2003)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=159652](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=159652)

---

Consent Agenda - Orders and Resolutions (continued)

- 35**                    **Res W-4450 - Arrowhead Manor Water Company, Inc. (AMWC).**  
[3113]                This resolution authorizes AMWC the use of Safe Drinking Water Bond Act funds collected from customers via surcharge, on an emergence basis, to enable AMWC to purchase water.
- 36**                    **Res W-4451 - Geyserville Water Works (GWW).**  
[3114]                This resolution authorizes GWW a general rate increase producing additional annual revenue of \$61,981 or 58.6% in 2003.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161869](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161869)
- 37**                    **Res W-4452 - Vista Grande Water System (VGWS).**  
[3115]                This resolution authorizes VGWS a general rate increase producing additional annual revenue of \$13,367 or 49.4% in 2004.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161874](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161874)
- 38**                    **Res W-4453 - MHC Acquisition One (Sewer) L.L.C. (MHC).**  
[3116]                This resolution authorizes MHC the elimination of temporary rate reduction and authorization to charge rates for sewer service as initially approved by D98-12-077. This resolution also authorizes MHC to reimpose the Public Utilities Commission reimbursement fee of 1.4%. (Advice Letter 5, filed October 27, 2003)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161880](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161880)
- 39**                    **Res W-4454 - MHC Acquisition One (Water) L.L.C. (MHC).**  
[3117]                This resolution authorizes MHC the elimination of temporary rate reduction and authorization to charge rates for water service as initially approved by D98-12-077. This resolution also authorizes MHC to reimpose the Public Utilities Commission reimbursement fee of 1.4%. (Advice Letter 5, filed October 27, 2003)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161876](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161876)
- 40**                    **A03-08-011 - L. A. Top Shuttle, Inc., dba Shuttle One (Applicant).**  
[3118]                This decision authorizes Applicant to extend its certificate to operate as a scheduled passenger stage corporation between certain hotels and points in or near the Cities of Anaheim and Buena Park, on the one hand, and Los Angeles International Airport, on the other hand. This proceeding is closed.  
(Exam Clark)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

---

Consent Agenda - Orders and Resolutions (continued)

- 41**  
[3122]      **C03-01-007 - DSLExtreme.com, Inc. and Sonic.net, Inc. vs. Pacific Bell Telephone Company; SBC Advanced Solutions, Inc.; and Verizon California Inc.**  
This decision extends the 12-month statutory deadline pursuant to Pub. Util. Code Section 1701.2(d), for resolving this proceeding until further notice.  
(Comr Brown - ALJ McKenzie)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161933](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161933)
- 42 (Rev.)**  
[3128]      **I02-07-015 - Order Instituting Investigation of Pacific Gas and Electric Company to (1) issue, sell and deliver common stock and one or more series of its first and refunding mortgage bonds, debentures, subordinated deferrable interest debentures, promissory notes and/or other evidences of indebtedness in connection with a confirmed plan of reorganization under Chapter 11 of the Bankruptcy Code, the total aggregate principal amount of such issuances and guarantees not to exceed \$9.5 billion; et al.**  
This decision grants petition to authorize the issuance of securities to finance a Settlement Plan of reorganization of Pacific Gas and Electric Company. This proceeding is closed.  
(Comr Peevey - ALJ Long)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
01/07/2004 - This revision was not shown on the Agenda mailed to the public.  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162133](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162133)
- 43**  
[3130]      **A02-07-033 - Pacific Gas and Electric Company (PG&E) and Signature Properties, Inc.**  
This decision grants the petition to modify filed by PG&E to correct minor technical errors in D03-03-008. This proceeding is closed.  
(Comr Peevey - ALJ Prestidge)  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161494](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161494)

## Regular Agenda

### Regular Agenda - Energy Orders

- 44**  
[2508]      **A00-11-038 - Southern California Edison Company.**  
A00-11-056, A00-10-028, C02-02-027, A00-07-013 - Related matters. The rate control period implemented by Public Utilities Code § 368 ended on January 18, 2001. It is unnecessary to complete valuation of utility generation assets for the purpose of deciding the date the rate control period ended. Phase 2 of this rehearing proceeding will determine the extent and disposition of what were formerly known as uneconomic, transition or stranded costs. A00-07-013 (recovery of electric restructuring costs) is consolidated with Phase 2. The proceeding remains open.  
(Comr Lynch - ALJ Mattson)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3117, Item 92 8/21/2003 (Staff);  
Agenda 3118, Item 29 9/4/2003 (Staff);  
Agenda 3120, Item 31 10/2/2003 (Peevey);  
Agenda 3124, Item 37 12/4/2003 (Peevey)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162162](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162162)
- 44a**  
[3125]      **ALTERNATE TO ITEM 2508**  
This alternate adopts most of the draft decision. The alternate differs by not establishing Phase 2 and closing this portion of this proceeding.  
(Comr Peevey)
- 45**  
[2870]      **R01-05-047 - Order Instituting Rulemaking on the Commission's own motion to determine whether baseline allowances for residential usage of gas and electricity should be revised.**  
This decision adopts a program whereby lower-middle income households may be exempt from Tier 3 electric surcharges, requires baseline quantities to be adjusted to exclude seasonal residence usage, requires that residential common area accounts be given the option to switch to commercial service, and requires utilities to update their rates, if needed, to comply with AB 1X. This proceeding is closed.  
(Comr Brown - ALJ TerKeurst)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3123, Item 32 11/13/2003 (Staff);  
Agenda 3124, Item 38 12/4/2003 (Staff);  
Agenda 3125, Item 49 12/18/2003 (Kennedy)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162168](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162168)

## Regular Agenda - Energy Orders (continued)

- 46**  
[2881] **A02-02-012 - Southwest Gas Corporation.**  
For authority to increase rates in San Bernardino, Placer, El Dorado, and Nevada Counties. This decision grants increases of \$3.8 million in Southern California and \$3.8 million in Northern California. This proceeding is closed.  
(Comr Peevey - ALJ DeBerry)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3124, Item 40 12/4/2003 (Lynch)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162179](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162179)
- 47**  
[2882] **R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of direct access pursuant to Assembly 1X and D01-09-060.**  
This decision denies the Petition to Modify D03-04-057 filed by SBC Services, University of California/California State University, and California Large Energy Consumers Association, and also denies the Petition to Clarify D02-03-055 filed by Southern California Edison. The decision calls for additional comments to develop the record.  
(Comr Brown, Comr Wood - ALJ Pulsifer)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3123, Item 33 11/13/2003 (Staff);  
Agenda 3124, Item 41 12/4/2003 (Brown)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162482](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162482)
- 48**  
[2958] **A01-06-041 - Sierra Pacific Power Company (Sierra).**  
This decision grants Sierra a rate increase of \$3.02 million based on a settlement agreement of the parties. It increases rates by 8.8% to all customer classes except large commercial, which get no increase because their marginal costs are significantly below their current revenue allocation. This proceeding is closed.  
(Comr Lynch - ALJ Barnett)  
*Pub. Util. Code § 311 – This item was mailed for Public Comment.*  
*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*  
Agenda 3124, Item 46 12/4/2003 (Staff);  
Agenda 3125, Item 52 12/18/2003 (Staff)  
[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=159117](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=159117)

## Regular Agenda - Energy Orders (continued)

**49 (Rev.)      R02-11-039 - Rulemaking to implement the provisions of Public Utilities Code Section 761.3 enacted by Chapter 19 of the 2001-02 Second Extraordinary Legislative Session.**  
[3051]

This order denies the October 14, 2003 motion of Sempra Energy to be removed from the list of respondents. The proceeding remains open.

(Comr Wood - ALJ Mattson)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

Agenda 3125, Item 42 12/18/2003 (Peevey)

01/06/2004 - This revision was not shown on the Agenda mailed to the public.

**50      A00-11-038 - Southern California Edison Company.**  
[3082]

For authority to institute a rate stabilization plan with a rate increase and end of rate freeze tariffs.

A00-11-056, A00-10-028 - Related matters. This decision implements an interim allocation of the Department of Water Resources (DWR) 2004 revenue requirement and trues-up the inter-utility allocation of DWR's 2001-2002 revenue requirement.

(Comr Brown, Comr Lynch - ALJ Allen)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162172](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162172)

**51      R\_\_\_\_\_ - Order Instituting Rulemaking on the Commission's proposed policies and programs governing post-2003 Low-Income Assistance Programs.**  
[3129]

In R01-08-027, the Commission has been addressing policy and implementation issues related to low-income assistance programs, i.e., the California Alternate Rates For Energy (CARE) and Low-Income Energy Efficiency (LIEE) programs. Today, this decision closes R01-08-027 and A02-07-001 et al. and initiates a new proceeding to address policy and implementation issues governing post-2003 CARE and LIEE program activities. These issues include monitoring program accomplishments and refining policies, program designs and budgets for future program years, including those programs administered by the small and multi-jurisdictional utilities under the Commission's jurisdiction.

(Comr Wood - ALJ Gottstein)

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162219](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162219)

## Regular Agenda - Energy Orders (continued)

**52** **R \_\_\_\_\_ - Order Instituting Rulemaking to establish policies and rules to ensure**  
[3131] **reliable, long-term supplies of natural gas to California.**

This proceeding is opened to consider and rule upon proposals the Commission is requiring California natural gas utilities to submit, which must be aimed at ensuring reliable, long-term supplies of natural gas to California. Through this rulemaking, the Commission orders Pacific Gas and Electric Company, San Diego Gas & Electric Company, Southern California Gas Company, and Southwest Gas Corporation to submit proposals addressing how California's long-term natural gas needs should be met through contracts with interstate pipelines, new Liquefied Natural Gas (LNG) Facilities, storage facilities and in-state production of natural gas. The Commission invites all interested parties to respond to these proposals, and the Commission will thereafter issue orders guiding or directing the California utilities on these matters.

**53** **R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery**  
[3134] **mechanisms for generation procurement and renewable resource development.**

This decision adopts a long-term regulatory framework under which California's three largest investor-owned utilities, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Edison Company, will plan for and procure the energy resources and demand-side investments necessary to ensure their customers receive reliable service at low and stable prices. (See D03-12-062 [Agenda ID#3005, 12/18/03] for issues decided related to 2004 Plans)

(Comr Peevey - ALJ Walwyn)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

**53a** **ALTERNATE TO ITEM 3134**

[3135]

This decision addresses the same issues as the ALJ's proposed decision, but differs in its recommendations in at least the following major areas: resource adequacy, transmission resources, treatment of qualifying facilities, and development of procurement incentive mechanisms.

(Comr Peevey)

**53b** **ALTERNATE TO ITEM 3134**

[3136]

This alternate decision addresses many of the same issues in the proposed decision, including resource adequacy, utility reserve margins, direct access reserve margins (including which entity will provide direct access reserves), affiliate issues, and data for utility forecasts for the long-term plans. It also includes a schedule for additional evidentiary record development of the above issues, as necessary.

(Comr Lynch)



## Regular Agenda - Energy Orders (continued)

**75 (Rev.)** **R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of direct access pursuant to Assembly Bill 1X and D01-09-060.**  
[3077]

This decision grants in part and denies in part the Petition to Modify D03-04-057, filed on September 25, 2003 by Alliance for Retail Energy Markets and Western Power Trading Forum. The decision grants the request to relieve ESPs of the requirement to sign an affidavit attesting to the compliance of DA customers with DA load suspension rules. The decision denies the request to modify the load relocation and replacement requirements to permit a DA customer to calculate the net change in DA load from all replacements and relocations in facilities within its utility-specific service territory. The Decision interprets D03-04-057 as permitting more than one account to count as replacement for a relocated account provided that documentation is provided that records are kept to demonstrate that the relocated accounts were all closed, and that the load on the new accounts at the replacement locations matches the total load of the closed accounts (subject to the flexibility granted in D03-05-057 for cases where the relocated load(s) are slightly larger). The customer, however, shall not apply reductions in DA load from any of its continuing DA accounts and/or facilities to count toward offsetting increases in DA load at newly constructed facilities and/or through replacement accounts.

(Comr Brown, Comr Wood - ALJ Pulsifer)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

01/07/2004 - This item appeared as (18) under Consent Agenda/Orders and Resolutions section on the agenda distributed to the public.

01/07/2004 - This revision was not shown on the Agenda mailed to the public.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162388](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162388)

**75a (Rev.)** **ALTERNATE TO ITEM 3077**  
[3163]

This alternate adopts the initial ALJ's draft decision. It differs from the current ALJ draft decision in that it denies the requested modification seeking to eliminate the account-by-account requirements associated with Direct Access customers' relocations or facility replacements.

(Comr Wood)

01/07/2004 - This item was not listed on the agenda distributed to the public.

01/07/2004 - This revision was not shown on the Agenda mailed to the public.

---

## Regular Agenda - Energy Resolutions and Written Reports

**54**

[2979]

**Res E-3857 - Pacific Gas and Electric Company (PG&E).**

PG&E requests approval of procurement contracts for up to fifty percent of PG&E's 2004 non-baseload net open position as authorized in D03-08-066.

(Advice Letter 2427-E, filed September 30, 2003.)

Agenda 3124, Item 52 12/4/2003;

Agenda 3125, Item 64 12/18/2003 (Staff)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=160752](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=160752)

## Regular Agenda - Telecommunication Orders

**55 (Rev.)**      **R01-09-001 - Order Instituting Rulemaking on the Commission's own motion to assess and revise the new regulatory framework for Pacific Bell (Pacific) and Verizon California Incorporated.**  
[2376]

I01-09-002 - Related matters. This proposed decision addresses Phase 2A audit issues. The proposed decision finds that Pacific properly reported its pension and depreciation expenses during 1997 - 1999, but misreported its expenses during this period for PBOPs and income taxes. The proposed decision also finds that Pacific improperly withdrew funds from one of its PBOP trusts in 1999. These findings result in Pacific owing a refund to its ratepayers.

(Comr Kennedy - ALJ Kenney)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3123, Item 38 11/13/2003 (Staff);

Agenda 3125, Item 67 12/18/2003 (Staff)

01/06/2004 - This revision was not shown on the Agenda mailed to the public.

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162311](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162311)

**55a**      **ALTERNATE TO ITEM 2376**  
[2378]

This proposed alternate decision of the assigned Commissioner finds that Pacific Bell properly reported its pension and depreciation expenses during 1997-1999. The alternate finds that Pacific Bell properly wrote off certain PBOP's regulatory assets as expenses in 1998 when the Commission eliminated a rate surcharge that supported this regulatory asset. On other issues, the alternate finds that Pacific misreported expenses during this period concerning PBOPs sub-accounts and concerning income taxes. The alternate decision also finds that Pacific improperly withdrew funds from one of its PBOP trusts in 1999. Compared to the Administrative Law Judge's proposed decision, the alternate decision finds a lower level of misreported costs and orders a smaller refund. The alternate orders a total of \$162 million in refunds to ratepayers, including interest through July 2003.

(Comr Kennedy)

Agenda 3123, Item 38a 11/13/2003 (Staff);

Agenda 3125, Item 67a 12/18/2003 (Staff)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162144](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162144)

## Regular Agenda - Telecommunication Orders (continued)

**56                    A99-03-025 - Roseville Telephone Company (Roseville).**

[2571]                    On May 3, 2002, Roseville filed a petition to modify D01-06-077. Specifically, it asks to remove the requirement to share 50% of its earnings between the benchmark rate of return and the ceiling rate of return. This decision denies the petition and also requires Roseville to file for its next NRF review no later than 90 days after a final decision in Rulemaking 01-09-001 and Investigation 01-09-002, the NRF reviews for Pacific Bell Telephone Company and Verizon California Incorporated. This proceeding is closed.

(Comr Lynch - ALJ O'Donnell)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3118, Item 42 9/4/2003 (Kennedy);

Agenda 3120, Item 46 10/2/2003 (Kennedy);

Agenda 3122, Item 39 10/30/2003 (Brown);

Agenda 3123, Item 39 11/13/2003 (Lynch);

Agenda 3124, Item 54 12/4/2003 (Brown);

Agenda 3125, Item 68 12/18/2003 (Lynch)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=160847](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=160847)

**56a                    ALTERNATE TO ITEM 2571**

[2880]                    This alternate modifies D01-06-077 to suspend the requirement to share 50% of its earnings between the benchmark rate of return and the ceiling rate of return. The alternate also requires Roseville to file for its next NRF Review no later than 90 days after a final decision in the policy phase of R01-09-001/I01-09-002. This proceeding is closed.

(Comr Kennedy)

Agenda 3122, Item 39a 10/30/2003 (Brown);

Agenda 3123, Item 39a 11/13/2003 (Lynch);

Agenda 3124, Item 54a 12/4/2003 (Brown);

Agenda 3125, Item 68a 12/18/2003 (Lynch)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162415](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162415)

## Regular Agenda - Telecommunication Orders (continued)

**57** **R01-09-001 - Order Instituting Rulemaking on the Commission's own motion to assess and**  
[2636] **revise the new regulatory framework for Pacific Bell (Pacific) and Verizon California**  
**Incorporated.**

I01-09-002 - Related matters. This proposed decision addresses Phase 2B audit issues. The proposed decision sustains most of the findings of an audit of Pacific's intrastate financial results for the period 1997-1999 that were considered during Phase 2B. This decision should be read in conjunction with the findings reached by the Commission in Phase 2A of this proceeding, which concludes that as a result of both decisions, Pacific owes a refund to its ratepayers in the amount of \$661 million, including interest through July 2003.

(Comr Kennedy - ALJ Thomas)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3123, Item 40 11/13/2003 (Staff);

Agenda 3125, Item 70 12/18/2003 (Staff)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162184](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162184)

**57a** **ALTERNATE TO ITEM 2636**

[2637]

I01-09-002 - Related matters. This alternate proposed decision resolves Phase 2B audit issues. The alternate proposed decision sustains the analysis in the audit conducted by Overland on 51 of 68 issues, and reverses its findings on 17. The alternate proposed decision accepts Pacific's claim of lawyer-client confidentiality concerning certain information, but prohibits the booking of contingent liability accruals that rely on this information. The alternate resolves ambiguities in the Commission's process for resolving discovery disputes. Consistent with D01-06-077, the alternate orders Pacific to pay interest on the amounts due to customers at the 90-day commercial paper rate.

(Comr Kennedy)

Agenda 3123, Item 40a 11/13/2003 (Staff);

Agenda 3125, Item 70a 12/18/2003 (Staff)

**58** **A03-06-031 - SBC Pacific Bell Telephone Company (SBC).**

[2893]

This decision allows SBC to enter into a revocable license with its affiliate SBC Services, Inc. for use of vacant space SBC owns at 39 Beta Court in San Ramon, California. The decision finds that SBC is not required to file an application pursuant to Pub. Util. Code § 851 for permission to license the space, but rather may enter into the revocable license without Commission approval under the Commission's General Order 69-C. This proceeding is closed.

(Comr Peevey - ALJ Thomas)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

Agenda 3124, Item 55 12/4/2003 (Peevey)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162274](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162274)

## Regular Agenda - Telecommunication Orders (continued)

**59**

[2987]

**A99-10-010 - GTE California Incorporated (now Verizon California, Inc.).**

Verizon California Inc. (Verizon) has amended this 1999 application, which now seeks approval under Pub. Util. Code §851 of 18 lease and license agreements, as well as other relief. The amendment incorporates recommendations by the Commission's Office of Ratepayer Advocates (ORA) based on ORA's audit of Verizon in the fourth triennial review of the New Regulatory Framework, or NRF. This decision also give § 851 approval to Verizon's shared asset methodology of dealing with office space and office equipment used by three Verizon affiliates that perform administrative functions for Verizon and other subsidiaries of Verizon's parent company. This approval relieves Verizon of the need to prepare space and office equipment leases with these three affiliates or to file those leases for Commission approval in formal §851 applications. This decision declines to adopt ORA's suggested procedural changes for use of the shared asset methodology. This proceeding is closed.  
(Comr Wood - ALJ Walker)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Ratesetting.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161537](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161537)

**60**

[3080]

**R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service.**

I95-04-044 - Related matters. This decision denies the request of SBC Pacific to recover \$4.29 million for costs to implement state-mandated number pooling. Based on the finding that expected savings exceed the costs of number pooling, there is no basis to increase customer charges.  
(Comr Lynch - ALJ Pulsifer)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162336](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162336)

**Regular Agenda - Transportation/Rail Safety Orders****61**

[3069]

**I99-06-005 - Order to Show Cause why the Burlington Northern Santa Fe Railway Company and the Union Pacific Railroad Company should not be ordered to comply with California Labor Code Section 6906.**

This decision finds that California Labor Code Section 6906(b) is repealed by implication.

Consequently, D01-10-066 is vacated and I99-06-005 is closed.

(Comr Wood - ALJ DeUlloa)

*Pub. Util. Code § 311 – This item was mailed for Public Comment.*

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Adjudicatory.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=162261](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=162261)

**Regular Agenda - Other Utility Orders****62                    R \_\_\_\_\_ - Rulemaking for the purpose of amending the Rules of Practice and  
[3119]                    Procedure to include the use of electronic mail to serve documents in formal proceedings  
                         before the Commission.**

The Commission in this rulemaking proposes to amend its Rules of Practice and Procedure (Title 20, Division 1, Chapter 1 of the California Code of Regulations) to allow, but not require, the routine use of electronic mail (e-mail) to serve documents in Commission formal proceedings.

*Pub. Util. Code §1701.1 -- This proceeding is categorized as Quasi-Legislative.*

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=161053](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=161053)



---

## Regular Agenda - Legislative Matters

**63**

[2459]

**SB 584 (Alarcon)**

Advertising.

Agenda 3116, Item LEG-8 7/10/2003 (Staff);

Agenda 3117, Item 128 8/21/2003 (Wood);

Agenda 3118, Item 50 9/4/2003 (Staff)

[http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC\\_ID=154295](http://www.cpuc.ca.gov/Cyberdocs/AgendaDoc.asp?DOC_ID=154295)

**64**

[3110]

**Proposed legislation**

Enabling legislation to authorize a dedicated rate component proposal, relative to D03-12-035.

---

**Regular Agenda - Commissioner's Reports**

---

**Regular Agenda - Management Reports and Resolutions**

---

## Closed Session

*This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the disclosures required by Government Code Sections 11125.2 and 11126.3(f).*

### Closed Session - Application for Rehearing Compilation

Compilation of applications rehearing recently filed with the Commission.

*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

---

**Closed Session - Non-Federal**

- 65**                    **A02-02-024 - Conference with Legal Counsel – Application for rehearing**  
[3015]                    Disposition of Application for Rehearing of Resolution E-3765 filed by The Utility Reform Network. Resolution E-3765 was issued by the Commission on January 24, 2002 and granted, with some modifications, Southern California Edison Company's (SCE) request for approval of the Procurement Related Obligations Account to implement the October 2, 2001 Settlement Agreement between SCE and the Commission.  
*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*  
Agenda 3124, Item 66 12/4/2003 (Lynch)
- 66**                    **R01-08-028 - Conference with Legal Counsel – Application for Rehearing**  
[3017]                    Disposition of Applications for Rehearing of D3-07-037 filed by Women's Energy Matters (WEM) and Residential Energy Service Companies' United Effort; WEM has also filed a request for oral argument and motion for stay. R01-08-028 examines the Commission's future energy efficiency policies, administration and programs. In the fall of 2002, the California Legislature passed AB 117, authorizing any city, county or city and county, to aggregate the electrical loads of local customers. Such entities are designated: "Community Choice Aggregators" (CCA). AB 117 also added sections to the Public Utilities Code directing the Commission to establish policies and procedures by which any party, including a CCA, may apply to administer cost-effective energy efficiency and conservation programs. D03-07-034 is an interim decision. D03-07-034 is limited to issues regarding energy efficiency program fund disbursements. Among other things, D03-07-034 adopted skeletal rules for implementing provisions of AB 117 for energy efficiency program fund disbursements.  
*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*  
*Gov. Code § 11126.3(d), allows this item to be considered in Closed Session.*  
Agenda 3124, Item 67 12/4/2003 (Lynch);  
Agenda 3125, Item 78 12/18/2003 (Lynch)
- 67**                    **C03-05-025 - Conference with Legal Counsel - Application for Rehearing**  
[3126]                    Order disposing of application for rehearing of D03-09-053 filed by Utility Audit Company, Inc. (UAC). In D03-09-053, the Commission granted Southern California Gas Company's motion to dismiss UAC's complaint, which alleged overbilling by SoCal Gas. The Commission concluded that UAC's complaint is barred by the statute of limitations pursuant to Pub. Util. Code Section 736. UAC contends that the conclusion is based on insufficient evidence and is the result of fraud on the part of the Commission.  
*Gov. Code § 11126(e)(2)(B)(i), allows this item to be considered in Closed Session.*

**Closed Session - Initiation of Litigation - Non-Federal**

Consideration of possible Commission initiation of, or intervention in, litigation.

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*

**Closed Session - Threatened Litigation - Non-Federal**

Significant exposure to litigation

*Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session*

### **Closed Session - Personnel Matters**

Consideration of appointment, employment, evaluation of performance, or dismissal of a public employee or to hear complaints or charges brought against that employee by another person or employee.

*Gov. Code § 11126(a), allows this item to be considered in Closed Session*



### **Closed Session - Threatened Litigation - Federal**

Significant exposure to litigation in federal agency or court proceedings.

*Gov. Code § 11126(e)(2)(B), allows this item to be considered in Closed Session*

### **Closed Session - Initiation of Litigation - Federal**

Consideration of possible Commission initiation of, or intervention in, federal agency or court proceedings.

*Gov. Code § 11126(e)(2)(C)(i), allows this item to be considered in Closed Session.*

**Closed Session - Federal**

- 70**                      **Case No. 01 30923 DM - Conference with Legal Counsel - Existing Litigation**  
[3086]                      Pacific Gas and Electric Company (Debtor), United States Bankruptcy Court, Northern District of California, San Francisco Division, Case No. 01 30923 DM.
- 71**                      **Case No. 01-56879, DC. No. CV-00-12056-RSWL - Conference with Counsel - Existing Litigation**  
[3087]                      Southern California Edison v. Lynch, et al., United States Court of Appeal for the Ninth Circuit, Case No. 01-56879, DC. No. CV-00-12056-RSWL.
- 72**                      **Case No. C01-3023 VRW - Conference with Legal Counsel - Existing Litigation**  
[3088]                      Pacific Gas and Electric Company v. Lynch, et al., United States District Court for the Northern District of California, San Francisco Division, Case No. C01-3023 VRW.
- 73**                      **FERC Docket No. RP00-241-006 - Conference with Legal Counsel - Existing Litigation**  
[3089]                      Public Utilities Commission of the State of California v. El Paso Natural Gas Company, et al.
- 74**                      **FERC Docket No. EL00-95-000 - Conference with Legal Counsel – Existing Litigation**  
[3090]                      San Diego Gas & Electric Co., EL00-95-000.